

# Staff Summary Report

**REVISED**



City Council Meeting Date: 5/5/11

Agenda Item Number: 5E2

**SUBJECT:** Request approval of a resolution to approve the Annual Action Plan for Community Development Block Grant (CDBG) and Home Programs for Fiscal Year 2011-2012.

**DOCUMENT NAME:** 20110505cdch01COMMUNITY DEVELOPMENT BLOCK GRANT (0207-33) RESOLUTION NO. 2011.31

**COMMENTS:** N/A

**PREPARED BY:** Craig Hittie, Affordable Housing Supervisor (350-8960)

**REVIEWED BY:** Lisa Collins, Deputy Community Development Director (350-8989)  
Liz Chavez, Housing Administrator (350-8958)

**LEGAL REVIEW BY:** Teresa Voss, Assistant City Attorney (350-8814)

**DEPARTMENT REVIEW BY:** Chris Anaradian, Community Development Director (858-2204)

**FISCAL NOTE:** Expenses related to staff time required for administering these programs have been appropriated in cost centers 2872 and 2852. All funding for the proposed activities is federal. No fiscal impact to the City's general fund.

**RECOMMENDATION:** Adopt Resolution No. 2011.31

**ADDITIONAL INFO:** On an annual basis, the City must complete an Annual Action Plan. The Action Plan sets forth the proposed uses of Community Development Block Grant (CDBG) and HOME funds that the City expects to receive for fiscal year 2011-2012. As part of this process, the city held two public hearings and a public meeting. The purpose of the public hearings was to secure input on the specific needs, priorities, objectives and strategies to address affordable housing, homeless and special needs housing.

The Resolution authorizes the submission of the Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD) for its review and approval and authorizes the City Manager to execute the required certifications and additional documentation if necessary.

The draft Action Plan is available for review at the link below:  
<http://www.tempe.gov/housing/CDBG/FY%202011%20AP-DRAFT.pdf>

## Proposed CDBG and HOME Program Activities for Funding Year 2011/2012<sup>1</sup>

<b>CDBG</b>		
	Administration (20% CAP)	\$292,674
	Public Services (15% CAP)	\$219,506
	Acquisition-Affordable Housing	\$515,000
	Acquisition-Redevelopment	\$276,193
	Commercial Rehabilitation	\$75,000
	Emergency Repair Program	\$10,000
	First Time Home Buyer's Program	\$25,000
	Relocation	\$20,000
	Demolition	\$30,000
<b>TOTAL CDBG</b>		<b>\$1,463,373</b>
<b>HOME</b>		
	HOME Administration (5% Cap)	\$22,135
	Homeowner Rehabilitation	\$370,571
	First Time Home Buyer's Program	\$50,000
	Program Income-Anticipated	\$50,000
<b>TOTAL HOME</b>		<b>\$492,706</b>
<b>OTHER FEDERAL FUNDS</b>		
	Section 8 Housing Choice Voucher Program	\$9,676,284
	Family Self-Sufficiency & Homeownership Grants	\$68,680
<b>TOTAL OTHER FEDERAL FUNDS</b>		<b>\$9,744,964</b>
<b>TOTAL ALL SOURCES</b>		<b>\$11,701,043</b>

<sup>1</sup> The numbers presented are based on FY 2010/2011 funding allocations. However, due to the impending federal budget shortfalls, it is anticipated that Congress will reduce the CDBG budget. The President's budget proposes a 7.5% reduction. Various proposals from Congress call for reductions ranging from 7.5%-65%. The final allocation awards may not be known until June 2011.